

Qliro Year-end report 2021 presentation

Acting CEO Jonas Arlebäck and CFO Robert Stambro

8 February 2022

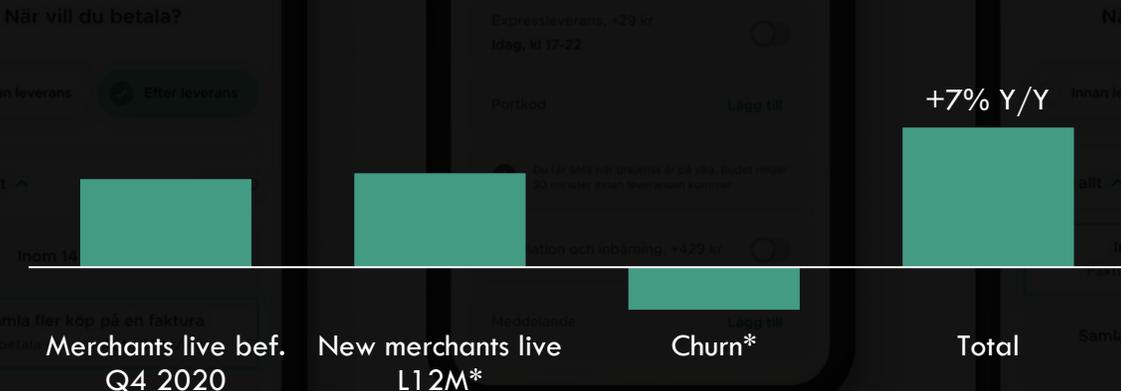


Q4 SUMMARY

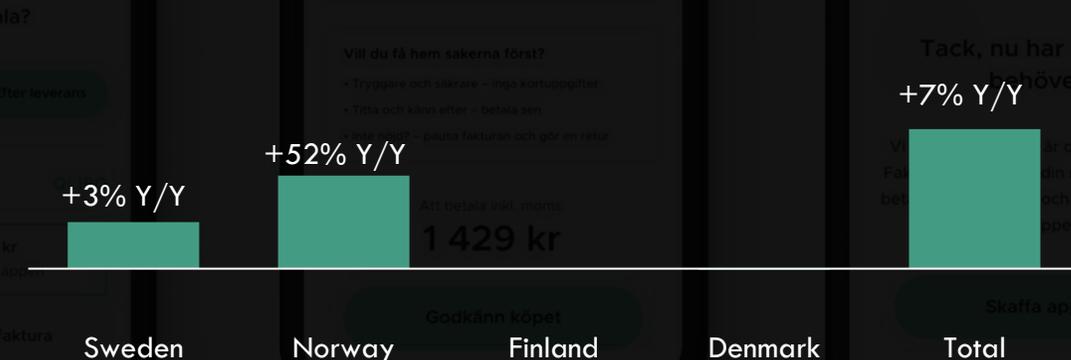
- ✓ High business and consumer activity
- ✓ Broadening of offering towards SME-merchants continued
- ✓ Improved income growth and back to income growth Payment Solutions
- ✓ Costs affecting comparability ("NRI") of 6,8 MSEK related to severance pay and recruitment costs
- ✓ Strong credit performance continued
- ✓ New improved agreement for sale of non-performing loans

PAD volume development at a glance

Breakdown PAD volume growth Q4 2021, MSEK



Breakdown PAD volume growth, Q4 2021 MSEK



- Total PAD volume 2 211 MSEK, growth +7% Y/Y or 150 MSEK
- Fastest relative growth in Norway (+52%) driven by with newly onboarded partners
- Higher growth fee-related products

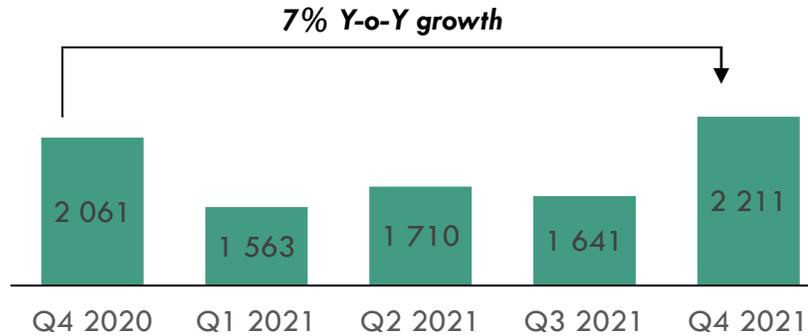
* New merchants mainly includes Biltema. Blush and Scandinavian Luxury, churn includes HSNB

Q4

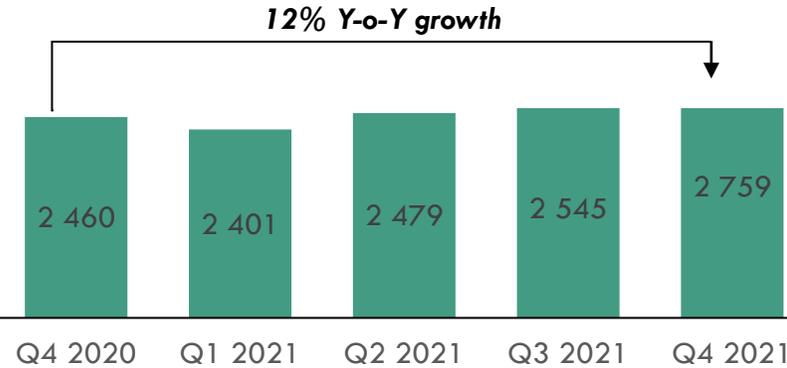
FINANCIALS

Improved income growth

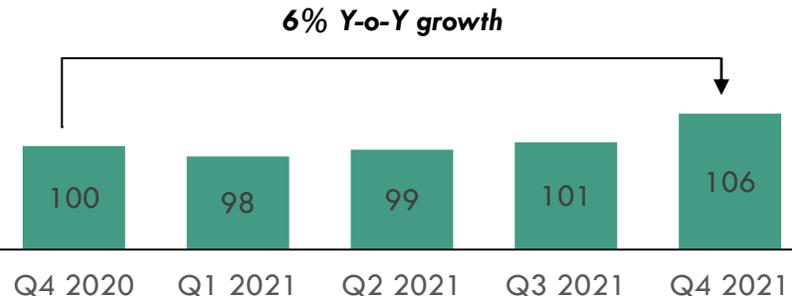
PAD volume, SEKm



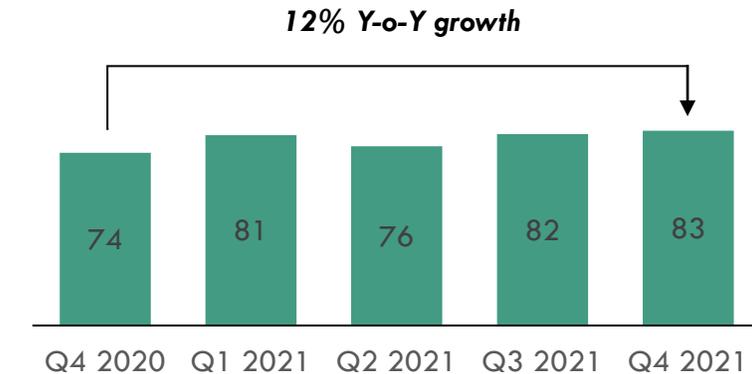
Lending, SEKm



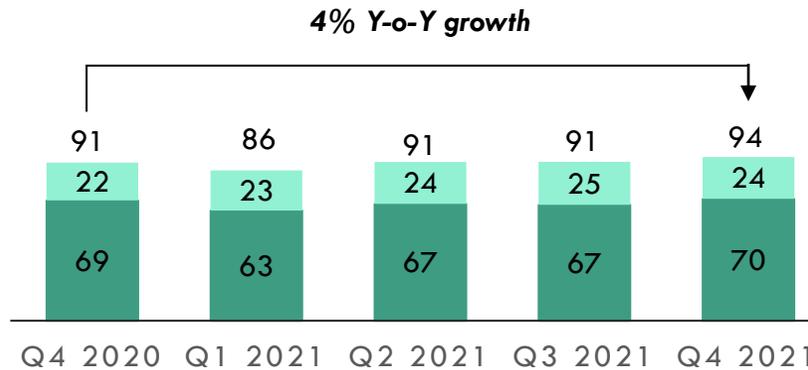
Income, SEKm



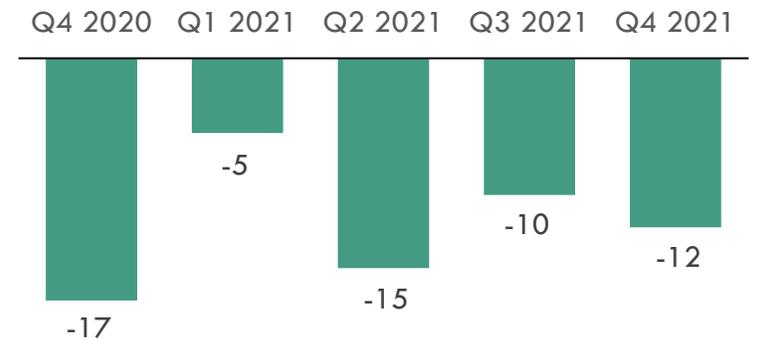
Risk adjusted income, SEKm



Cost excluding NRI*, SEKm

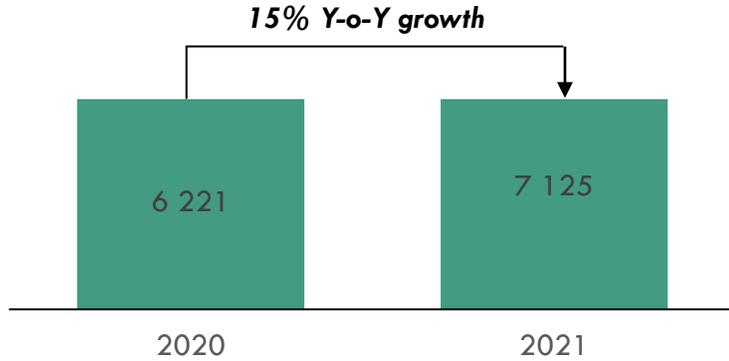


Operating profit excl. NRI*, SEKm

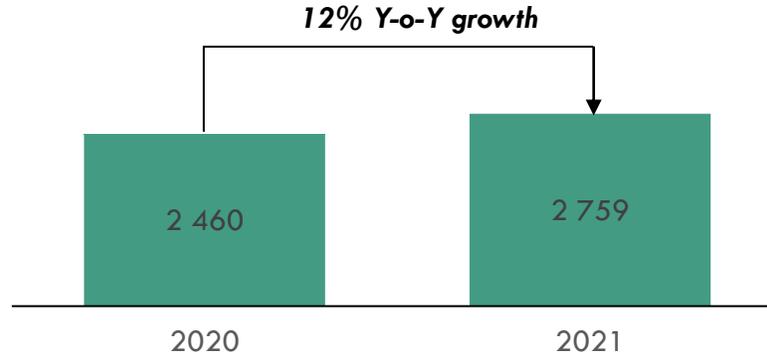


Improved operating profit excl. NRIs

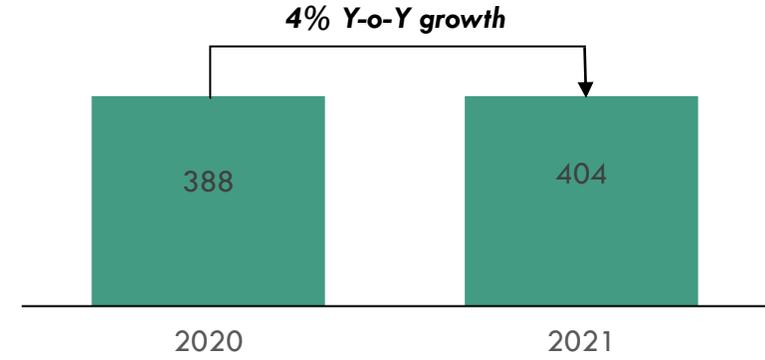
PAD volume, SEKm



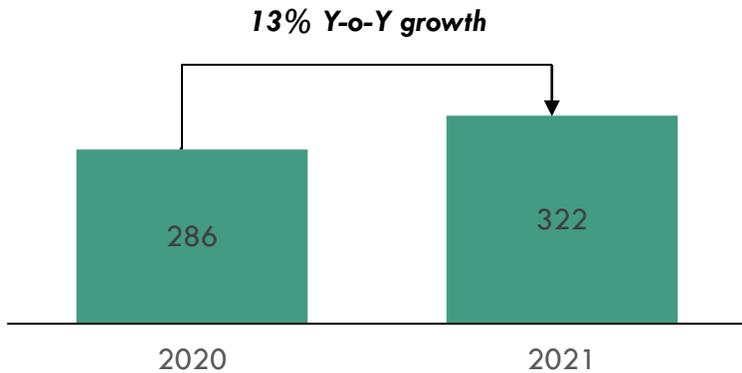
Lending, SEKm



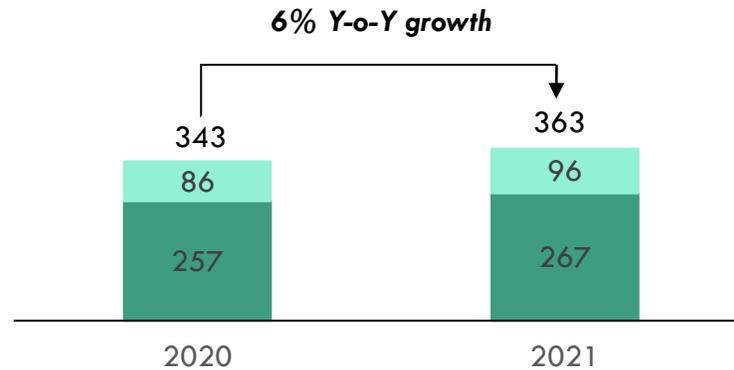
Income. adjusted for NRIs*, SEKm



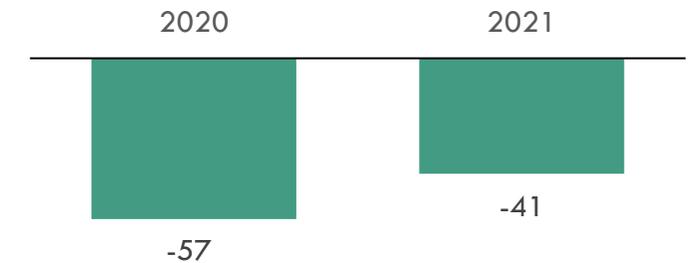
Riskadjusted income adjusted for NRIs*, SEKm



Cost adjusted for NRIs*, SEKm



Operating profit, adjusted for NRIs*, SEKm



Payment solutions – back to income growth

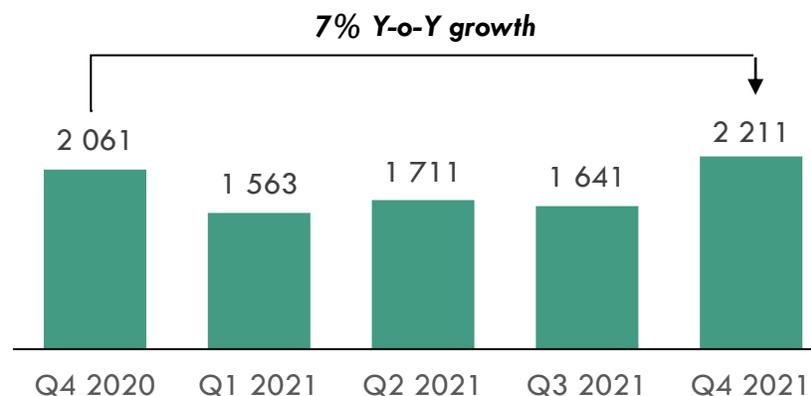
Comments

- Positive volume development
- Income growth returning although negative effect from deposit fee
- Less reminder fees main driver for lower margin compared to 2020
- Positive underlying credit performance
- Risk-adjusted income growth of 6%

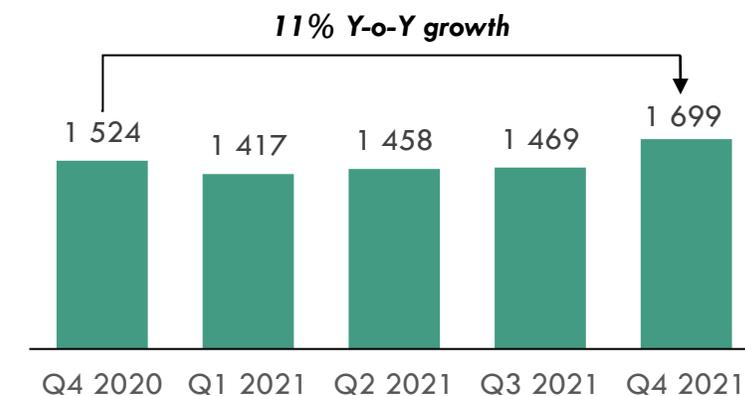
Key figures, SEKm

SEKm	Q4 21	Q4 20	Change Y/Y
Total operating income	86.9	83.4	4%
Loan losses	-20.3	-20.3	0%
Income after loan losses	66.6	63.1	+6%
Lending to the public	1 699	1 524	+11%
PAD volume	2 211	2 061	+7%
Operating income margin, %	21.9%	23.6%	
Loan loss level, % of originated PAD volume	0.9%	1.0%	

PAD volume, SEKm



Lending, SEKm



Digital banking services – solid financial development

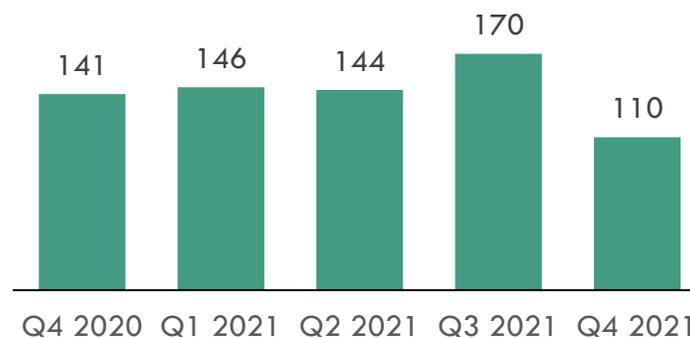
Comments

- Growth in lending 13% YoY but -1% Q/Q driven by lower new lending
- Improved margin
- Solid credit quality
- Risk adjusted income +52% Y/Y

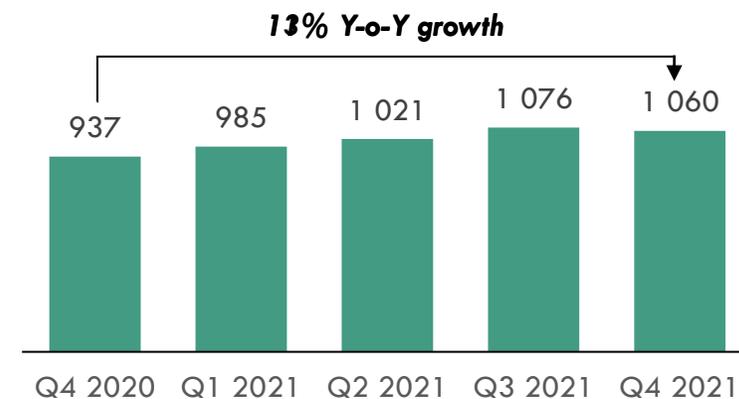
Key figures, SEKm

SEKm	Q4 21	Q4 20	Change Y/Y
Total operating income	19.3	16.5	+17%
Loan losses	-3.3	-5.9	-44%
Income after losses	16.0	10.5	+52%
Lending to the public	1 060	937	+13%
Operating income margin, %	7.5%	7.2%	+ 0.3 pp
Loan loss level. % of average lending	1.2%	2.6%	

New lending, SEKm



Lending, SEKm

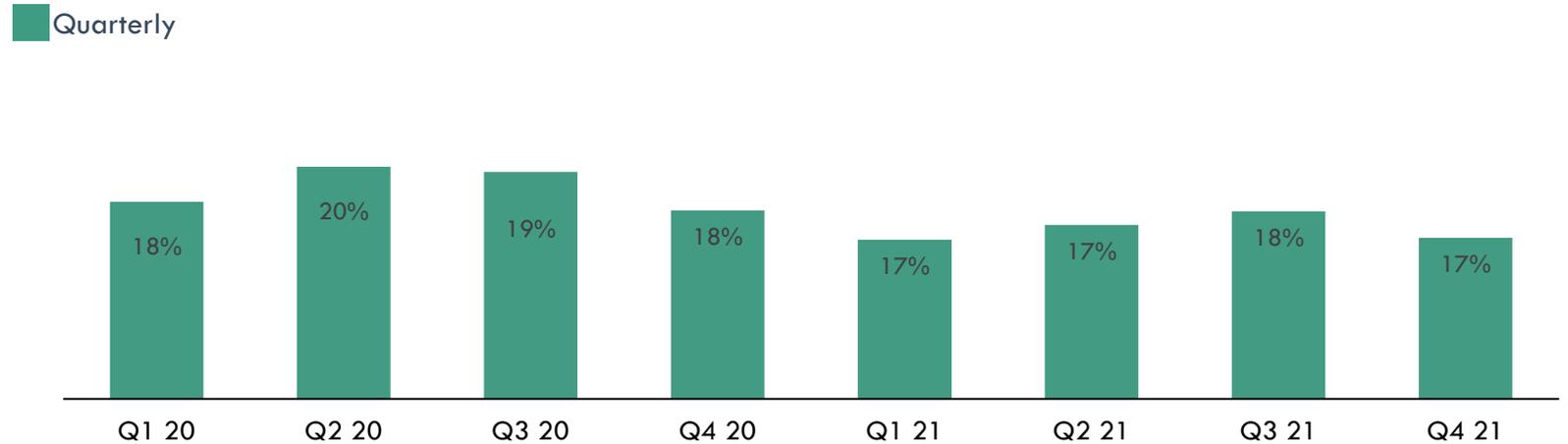


Attractive income margins

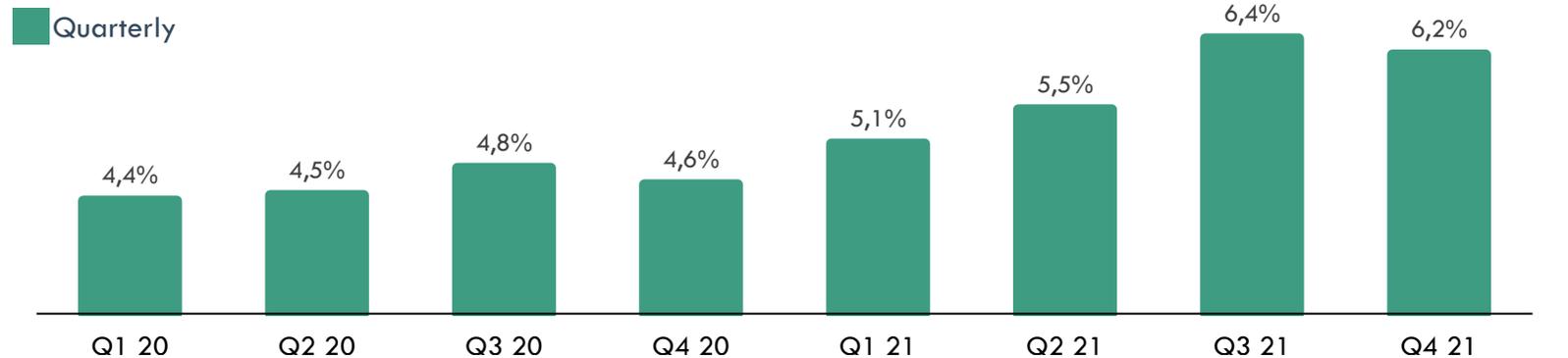
Comments

- Payment Solutions: Income margin lower in 2021 than 2020 but stable through 2021
- Positive margin development in Digital Banking services driven by higher APR and better credit performance

Payment solutions, riskadjusted income margin %*



Digital Banking Services, riskadjusted income margin %*



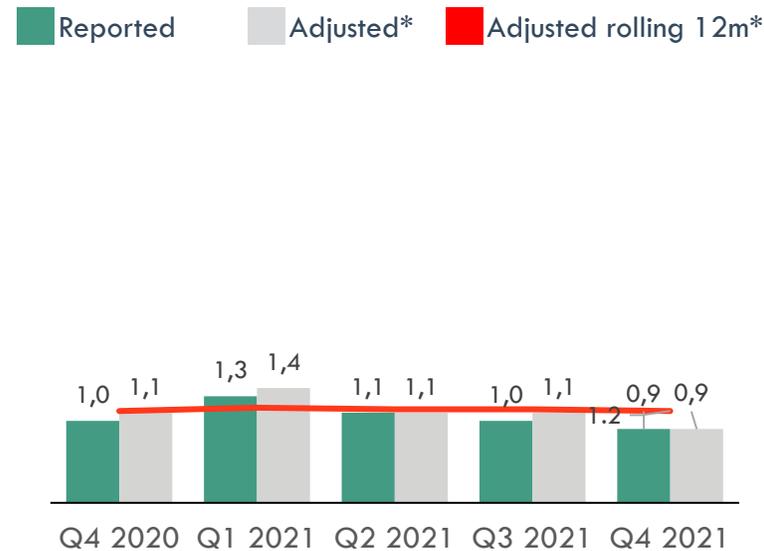
* Adjusted for the negative non-recurring income effect of 8.4 MSEK in Q1 2020 in Payment Solutions and the positive effect of 8.8 MSEK on credit losses in Q1 2021 in Digital Banking Services

Improved credit performance

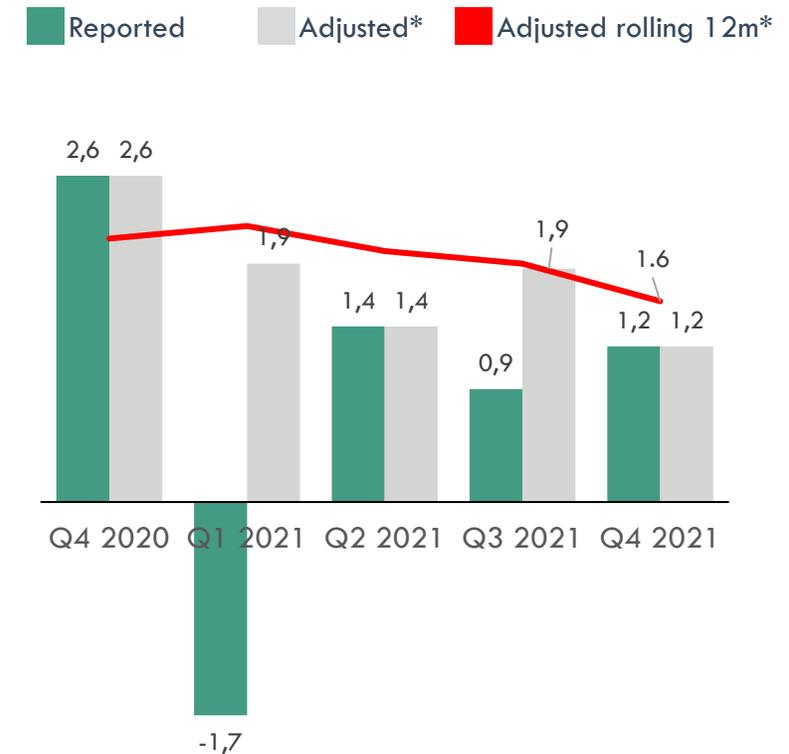
Comments

- Clean balance sheet strategy – low valuation risk in the balance sheet
- New agreement with better terms for sale of non-performing PAD credits in Sweden
- Improved underlying credit quality in both segments
- For the full year 2021
 - Loan losses -20% while lending +12% and PAD volumes +15%

PAD losses in relation to PAD volumes, %



Loan loss level, personal loans, %

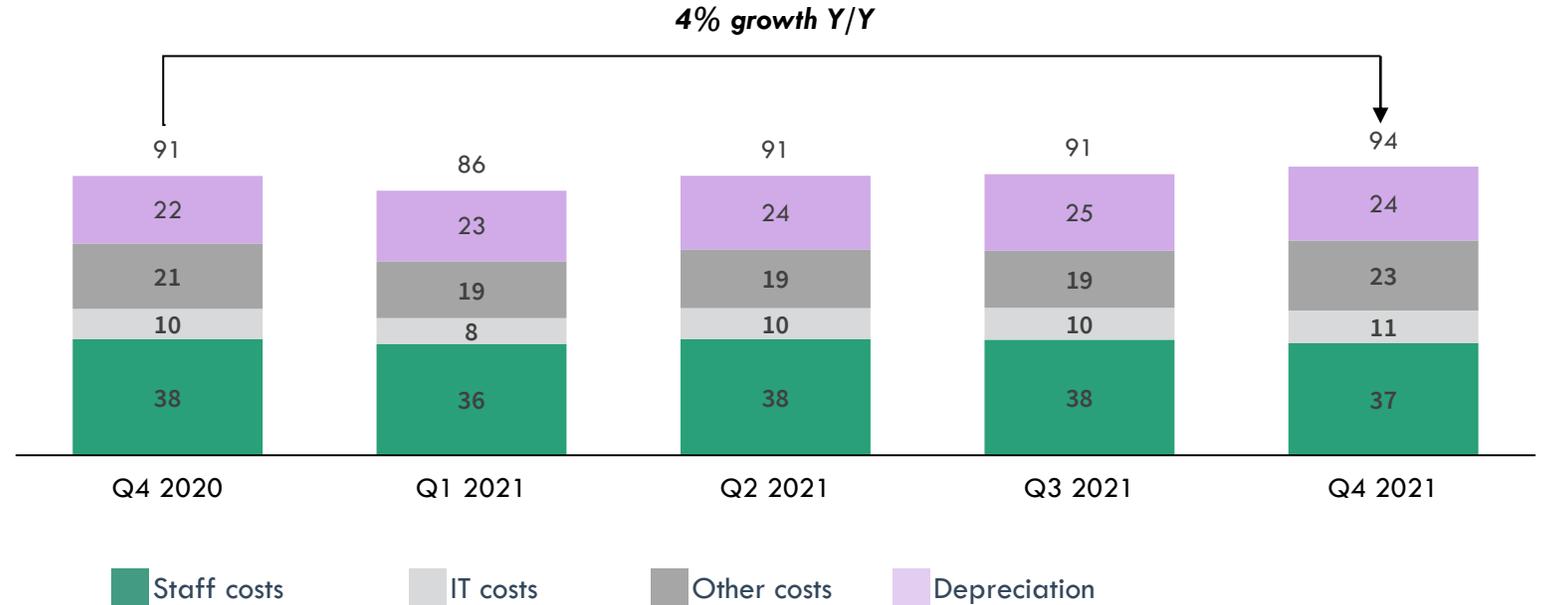


Stable cost level from previous quarter

Comments

- Staff costs stable and higher costs mainly driven by higher D&A and IT costs
- Increased cost in IT related to cloud migration and cyber security systems
- Increase in D&A due to faster depreciation and somewhat higher investments

Cost development excluding NRI*, SEKm



Business update 2022

- ✓ Stronger and two SME-merchants integrated as new merchants
- ✓ New agreement with Centra
- ✓ Safe payments initiatives launched

Looking ahead

Growth and efficiency in focus

- ✓ Sign and onboard new merchants including new verticals
- ✓ Continue to develop SME-offering and partnerships within the area
- ✓ Deliver on growth strategy focused on payments
- ✓ Updated strategy to be presented late March

Q1 report 3rd of May



QLIRO